

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

MEETING DATE: 04/16/03

DIVISION: COUNTY ADMINISTRATOR

BULK ITEM: YES

DEPARTMENT: AIRPORTS

AGENDA ITEM WORDING: Approval to negotiate an agreement with the Hertz Corporation to lease the property currently occupied by the Public Works Department at the Key West International Airport (KWIA) after Public Works moves into their new facilities to be built on Stock Island.

ITEM BACKGROUND: Hertz is a rental car company that has been a tenant at KWIA for many years. What we have discussed and what they have conceptually approved is the following: Hertz will pay the county (not the airport) \$1,000,000 in a lump sum as soon as the existing buildings are available for them to occupy. They will pay the Airport \$82,000 a year plus CPI for the ground lease. They will also pay the normal lease rate for their counter and office space inside the Airline Terminal. Also they will pay the normal franchise fee of 10 % of all gross sales on the airport (this includes sales originating inside the terminal or any community car rentals from the Public Works site). In exchange for this, they will receive a 20 year lease and franchise agreement.

PREVIOUS RELEVANT BOCC ACTION: None on this item.

STAFF RECOMMENDATION: Approval to negotiate.

TOTAL COST: N/A

BUDGETED: N/A

COST TO COUNTY: N/A

REVENUE PRODUCING: Yes

AMOUNT PER MONTH/YEAR: \$1,000,000 upfront, + Approx. \$280,000 a year

APPROVED BY: County Attorney N/A

OMB/Purchasing N/A

Risk Management N/A

DIRECTOR APPROVAL _____



Peter J. Horton

DOCUMENTATION: Included ☒ X

To Follow

Not Required

AGENDA ITEM # _____

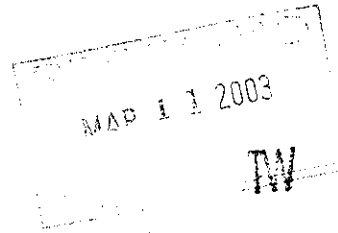


DISPOSITION: _____

Mark K. McBee
Director, Properties

The Hertz Corporation
475.1 Best Road, Suite 400, Atlanta, GA 30337
Telephone: (404) 209-4205

March 5, 2003



Mr. Peter J. Horton
Director of Airports
Key West International Airport
5100 College Road
Key West, FL 33040-5260

VIA FACSIMILE: (305) 292-3578

RE: Service Facility Property

Dear Peter:

As we have discussed, Hertz is interested in negotiating with the County for the property currently occupied by the Public Works Department. It is ideally suited for our service facility needs and will have a positive impact on our Key West operations.

Please advise of the timing.

Sincerely,

Handwritten signature of Mark K. McBee.

Mark K. McBee
Director, Properties

/sw

cc: D. Stolt